

DEPARTMENT OF CHILDREN AND FAMILIES
DIVISION OF FAMILY AND ECONOMIC SECURITY
ADMINISTRATOR'S MEMO SERIES

☐ ACTION
☒ NOTICE

12-07

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DISPOSAL DATE: 04/01/2013

*PROGRAM CATEGORIES:

<input type="checkbox"/> AS	<input type="checkbox"/> FM	<input type="checkbox"/> ML	<input type="checkbox"/> TR
<input type="checkbox"/> CC	<input type="checkbox"/> FL	<input type="checkbox"/> NA	<input checked="" type="checkbox"/> W-2
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To: W-2 Agency Directors

From: Kristiane Randal /s/
Division Administrator

RE: Increase In Job Access Loan (JAL) Spending Targets

PURPOSE

This memo notifies selected Wisconsin Works (W-2) contract agencies of an increase in JAL targeted spending amounts based on JAL expenditures and collections.

BACKGROUND

In June 2011, the Division of Family and Economic Security (DFES) informed W-2 contract agencies that it would be monitoring and possibly reallocating JAL spending targets for the contract period of July 2, 2011 through December 31, 2012. We told agencies that we would base reallocations on the agency's ability to collect JALs through monthly repayment.

Based upon the division's monitoring results, we are increasing total JAL spending targets by \$60,000 for those contract agencies that have met or exceeded spending targets and were most successful in the collection of JAL payments, as of June 2012.

METHODOLOGY FOR INCREASED JAL SPENDING TARGETS

The Division took the following steps to determine the potential increase in JAL spending targets:

1. We reviewed the collection of monthly repayments by agency and identified agencies that successfully collected more than 10% of their JAL payments.
2. Of those agencies that collected more than 10% of their JAL payments, we identified the agencies that have met or exceeded their spending targets. As of June 2012, agencies should have been at 66.7% of their spending for an 18-month contract period.

3. We then determined the amount each of these agencies would need to fund JALs through the end of the contract period.
 - a. We calculated how much of the agency's initial contract period spending target should have been spent through June 2012 by multiplying the initial contract spending target by 66.7%.
 - b. We then subtracted the amount that each agency should have spent through June 2012 from the amount that each agency actually spent through June 2012 to determine how much each agency would need through the end of the contract period.
 - c. This amount was then rounded up to the nearest \$1,000.

Based on the methodology above, we determined that the following W-2 agencies would receive increased JAL spending targets.

Spending Target Increase by Agency

The Kaiser Group	\$1,000
Workforce Resource, Inc.	\$1,000
PAW Consortium	\$6,000
BOS Pool (Burnett, Jefferson, Waupaca and Green Lake)	\$7,000
Forward Service Corp.	\$21,000
Capitol Consortium	\$24,000
TOTAL	\$60,000

W-2 agencies that have exceeded their spending targets contract-to-date and have not collected any JAL payments may not process any new JAL requests for the remainder of the contract period. The Bureau of Regional Operations (BRO) Regional Coordinators will contact these W-2 agencies individually.

CONTACT: Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators
Milwaukee: Milwaukee Operations Section Regional Administrators